S&S COMMUNICATIONS 125 Railroad Avenue SE Aberdeen, South Dakota 57401

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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

July 16, 2003

South Dakota Public Utilities Commission Kelly Frazier 500 East Capitol Pierre, SD 57501

Re: Docket CT03-064

Dear Sir or Madam:

Please accept the following as S&S Communications'/Alterna-Cell's response to the Complaint that has been filed in the above-referenced docket.

S&S Communications admits that it entered into a pre-paid long distance contract with the Complainant. Unfortunately, and although it desired to do so, S&S Communications became financially unable to continue providing service under the contract.

S&S Communications will not resist any effort by the Complainant to seek recovery from the bond and/or Letter of Credit that S&S Communications has in place at the Public Utilities Commission so long as a pro rata adjustment is made to reflect the value of the services the Complainant has already received, which will be determined at the hearing on this matter.

Thank you for you attention to this matter.

Sincerely,

Les S. Sumption

President, S&S Communications